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 CENTRAL INTELLIGENCE AGENCY

25X1A

REPORT NO. [REDACTED]

INFORMATION REPORT

CD NO. 216

COUNTRY Belgium/China/Tangier

DATE DISTR. 9 November 1951

SUBJECT East-West Trade

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ACQUIRED [REDACTED]

NO. OF ENCLS.
(LISTED BELOW)DATE OF
INFO.

August - October 1951

SUPPLEMENT TO
REPORT NO. 25X1X

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1. Peeters, Brems and Company, a firm dealing in petroleum products and lubricants, located at 17 rue Broek, Wijnegem, Antwerp, is considering the establishment of a branch in Tangier to facilitate the shipment of merchandise to China. Pending the opening of such a branch, Peeters, Brems, without divulging the identity of its client or clients in Hong Kong or specifying the quantities or materials involved, wrote to a Tangier bank in August 1951 concerning the possibility of providing documentation showing the Tangier firm as buyer and thus circumventing Belgian export restrictions.
2. In September 1951 Peeters, Brems again wrote to the Tangier bank, stating that its clients now requested delivery CIF Macao. In the absence of shipping facilities from Tangier to China, the best that could be obtained was an export license for Portugal, there being sailings from Lisbon to Macao; accordingly, it was requested that the Tangier company furnish a declaration to the effect that the merchandise was destined for Portuguese consumption. Peeters, Brems stated that letters of credit from five Hong Kong firms, Union Investment, Messrs. Joseph and Company, Messrs. Lee Yuen Cheong, K & L Corporation, and Bock Hing Trading Corporation Ltd., were already en route to Tangier, and requested that the bank arrange reimbursement to Peeters, Brems in such fashion that the latter should be in no danger of exposure. On 10 September 1951 the Tangier company informed Peeters, Brems that no payments had been received, and in October the latter decided that this illegal operation was too risky to be pursued.

- 25X1A 1. [REDACTED] Comment. Information believed to be reliable and dated late 1948 indicated that Li Yuen Cheong was probably engaging in trade with Communist China.

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